



Hawai'i District Office Lenders Quarterly

U.S. Small Business Administration Hawai'i District Office

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In this issue:

Patriot Express Day
Page 1

Restructured Community
Express Page 1

Qualifying the SBA Prospect
Page 2

SBA Resource Days
Page 2

Save the Date
Page 2

Inflation Adjustment to Size
Standard Page 2

New SOP 50-10 (5)
Page 2

Loan Activity Page 3

For More Information

- SBA offices are located in all 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands and Guam. For the office nearest you, look under "U.S. Government" in your telephone directory, or call the SBA Answer Desk.
- SBA Answer Desk:
1-800 U ASK SBA
- Fax: 202-205-7064
- E-mail: answerdesk@sba.gov
- TDD: 704-344-6640
- Your rights to regulatory fairness:
1-800-REG-FAIR
- SBA Home Page: www.sba.gov

All of the SBA's programs and services are provided to the public on a nondiscriminatory basis.

Patriot Express Day at the Design Center

In support of our military community, the SBA Hawaii District Office has designated August 21 as "Patriot Express Day." At this event, lenders participating in SBA's Patriot Express loan initiative will have the opportunity to meet one-on-one with veterans and members of the military community seeking financing to establish or expand their small businesses.

Military community members eligible for Patriot Express financing include veterans, service-disabled veterans, active duty service members participating in the military's Transition Assistance Program, reservists, National Guard members, spouses of all of the foregoing, as well as the widowed spouse of a service member or veteran who died during the service or of a service-connected disability.

"Patriot Express Day" will be held at the Honolulu Design Center – Cuploa Events Theatre on August 21 from 10:30 a.m. to 1:00 p.m. To obtain information about participating in this event, contact Jerry Hirata at 541-2990 Ext. 210.

PATRIOT EXPRESS
YOUR KEY TO BUSINESS SUCCESS



Restructured Community Express Pilot Program Effective: October 1, 2008

Here are some of the key features of the restructured Community Express program.

Eligibility for Community Express includes:

- Small businesses whose principal office is located in a HUBZone or Community Reinvestment Act designated area;
 - The entire State of Hawaii and Guam are designated as HUBZones.
- Loans of \$25,000 or less regardless of where the small businesses' principal office is located; and
- Loans made under a Headquarters-approved District Office initiative to support local community/ economic development.

The maximum loan size remains at \$250,000.

Technical assistance remains a program requirement, but lenders may use SBA's online Small Business Training Network (www.sba.gov) and other SBA resources to meet the programs' technical assistance requirement. Lenders must continue to document in each loan file that the required technical assistance was provided to the borrower and this documentation must be made available to SBA for lender oversight reviews and/or submitted with any guaranty purchase request.

With SBA's 75% or 85% guaranty and the availability of SBA's online Small Business Training Network and SBA's other technical assistance resources, the maximum interest rate lenders may charge will be limited to the standard 7(a) rates.

Standard 7(a) Rates:

- 2.25% over prime for maturities under 7 years, 2.75% for maturities 7 years or more
- 1 additional percentage point can be charged for loans between \$25,000-50,000
- 2 additional percentage points can be charged for loans under \$25,000

SBA will continue to accept Community Express loans from lenders conforming to the requirements and procedures of the existing pilot through September 30, 2008. Further, SBA is extending Community Express as a pilot program through December 31, 2009.

The Community Express Pilot Program was created to complement SBA's main loan programs and help lenders reach underserved markets. More information to follow, please call Jerry M. Hirata at 541-2990 ext 210 for any questions.



SBA U.S. Small Business Administration
THE LENDER'S ADVANTAGE

LENDER TRAINING

“Qualifying the SBA Loan Prospect”

The Basics of SBA 7(a) Lending

Tuesday, September 9

8:30 to 10:00 a.m.

Prince Kuhio Federal Building
300 Ala Moana Boulevard, Room 5-208
Honolulu, HI 96850

To reserve a space, call Karen Sakihama at
(808) 541-2990 Ext. 209 or send an e-mail to karen.sakihama@sba.gov

Hawaii District U.S. Small Business Administration
300 Ala Moana Boulevard, Suite 2-235, Honolulu, HI 96850
808-541-2990 www.sba.gov/hi

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Inflation Adjustment to Size Standard Adjustment effective August 18, 2008

Effective August 18, 2008, an inflation adjustment of 8.7% will be added to the small business size standards. As an example, the most common size standard for the retail trade and services industries (referred to as the “non manufacturer anchor size standard”) increases from the average annual receipts of \$6.5 million to \$7.0 million. The size standard for the 504 Program changes to:

“the business qualifies as small if it does not have a tangible net worth in excess of \$8.0 million and does not have an average net income in excess of \$3.0 million after taxes for the preceding two years.”

Should you have any questions, please call Jerry M. Hirata at 541-2990 ext 210.



New Standard Operating Procedures 50-10 (5) will be in effect on August 1, 2008

As a reminder, SBA's 50-10 (5) can be found at:

http://www.sba.gov/idc/groups/public/documents/sba_homepage/serv_sops_50105.pdf

SBA Resource Days

SBA Resource Days, where prospective and existing small business owners meet one-on-one with an SBA Business Development Specialist at a bank location, have been well received. If you are interested in hosting an SBA Resource Day at your location, please contact your respective coordinators:



American Savings Bank – Laurice Otsuka
Bank of Hawaii – Rose Obana
Central Pacific Bank – Lance Takahashi
First Hawaiian Bank – Carlton Jow
Hawaii National Bank – Jarrett Oshiro
Honolulu FCU – Warren Nakamura

Should you have any questions, please call Jerry M. Hirata at 541-2990 ext 210.



Save the Date – November 5, 2008- Lender/Lending Officer Awards Breakfast



The Hawaii District Office will be conducting its 10th Annual Lender/Lending Officer Awards Breakfast at the Plaza Club on Wednesday November 5th. Registration begins at 8:00 am and the plated breakfast will be served at 8:30am -- more information will be forthcoming.



Loan Activity, FY 2008
Nine Months Ended 6/30/08

<u>Bank</u>	<u>No. of Loans</u>	<u>Loan Amount (000's)</u>	
		<u>Gross</u>	<u>SBA</u>
Bank of Hawaii	58 #	3952.0	2226.0
First Hawaiian Bank	39	4331.9	2826.2
Central Pacific Bank	26	2105.8	1331.0
American Savings Bank	24	2373.5	1413.7
Citizens Security Bank	19	3208.0	2370.6
Hawaii Community FCU	9	230.0	115.0
Bank of Guam	9	766.3	438.8
Capital One	7	345.0	172.5
Honolulu Federal Credit Union	5	214.0	107.0
Hawaii National Bank	4	565.5	453.7
Nara Bank	2	1566.0	1174.5
Banco Popular North America	2	795.1	590.1
Lehman Brothers Bank, FSB	1	1211.2	908.4
Comerica Bank	1	291.6	218.7
Center Bank	1	290.0	217.5
Partners Bank	1	125.0	62.5
Ohana Pacific Bank	1	120.0	102.0
Borrego Springs Bank	1	25.0	21.2
Wells Fargo	1	25.0	12.5
Sub-total	211	22540.9	14761.9
Innovative Bank	68	1570.0	1198.0
Superior Financial Group, LLC	50	537.5	456.9
Business Loan Center LLC	2	82.0	69.7
Total 7(a) Loans	331	24730.4	16486.5
HEDCO 504 Loans	30	16061.0	16061.0
Lokahi Pacific 504 Loans	5	3443.0	3443.0
Grand Total	366	44234.4	35990.5

